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PROGRAMME AND BUDGET

(f) PERFORMANCE REPORT OF THE CONVENTION'S TRUST FUNDS FOR THE BIENNIUM 2000-2001 AS OF 30 JUNE 2000

Addendum

Note by the secretariat

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INTRODUCTION

A. Mandate

1. Rule 10 (d) of the Rules of Procedure of the Conference of the Parties (ICCD/COP(1)/11/Add.1) provides that the provisional agenda of each ordinary session of the Conference of the Parties (COP) shall include, as appropriate, the proposed budget as well as all questions pertaining to the accounts and financial arrangements.

2. The Conference of the Parties at its third session, in decision 3/COP.3 on the programme and budget for the biennium 2000-2001, requested the Executive Secretary to report at its fourth session on the financial performance of the Convention budget, as well as on the status of the trust funds established under the financial rules.

3. This document reports on the actual income and expenditure as of 30 June 2000, and on the estimated expenditure to 31 December 2000. In addition to the performance level, the present report gives information on programme implementation and results achieved.

B. Scope of the Report

4. This document is organized as follows:

(a) Section II contains information on budget performance for the year 2000 for the four trust funds administered by the secretariat, namely, General Trust Fund for the Core Budget (General Fund), Trust Fund for Supplementary Activities of UNCCD (Supplementary Fund); Special Trust Fund for Participation in the process of UNCCD (Participation Fund); and the Trust Fund for the Supplementary Contribution for the Convention activities by the host Government (Bonn Fund);

(b) Section III provides information on management of human resources;

(c) Section IV presents the status of working capital reserve;

(d) Section V gives information on the administrative arrangements;

(e) Section VI gives the conclusion of this performance report.

5. This document should be read in conjunction with the 2000 performance report for the Supplementary Fund (ICCD/COP(4)/2/Add.7).

II. BUDGET PERFORMANCE REPORT

A. Trust Fund to the Core Budget and Supplementary Activities

1. Report on income

6. The status of contributions to the UNCCD General and Supplementary Funds is summarized in table 1.

Table 1. Summary of income in 2000 as of 30 June 2000

(in United States dollars)

Source	Approved Budget	Core Budget received contributions as of 30 Jun 00	%	Supplementary Fund contributions as of 30 Jun 00
Balance of the General Fund brought forward from 1999		561 641*		
Assessed contributions from Parties	6 329 700	4 695 237	74.2	
Special contribution from Germany	568 200 (DM 1 million)	500 711	88.1	0
Balance of Supplementary Fund brought forward from 1999				2 544 457
Voluntary contributions to the Supplementary Fund				1 050 577
Subtotal	**6 897 900**	**5 757 589**	**83.5**	**3 595 034**
Prior year savings on obligations and Interest income		101 789		67 131
Total	**6 897 900**	**5 859 378**	**84.9**	**3 662 165**

*This balance includes working capital reserve and overpaid contributions of the Parties in 1999.

7. As at 30 June 2000, 37 Parties had paid their contributions. Received contributions represent 74.2 per cent of the approved budget. 126 country Parties had not paid their assessed contributions amounting to US$1,066,263. The Executive Secretary has sent out reminder letters inviting all Parties who have not yet paid their contributions in full to do so without further delay. Contributions to the General Fund, the Supplementary Fund and the Participation Fund will be reported as of 30 November 2000 in ICCD/COP(4)/2/Add.8.

8. In addition to the above, a special contribution of US$500,711 has been received from the host Government. This contribution is taken into account in table 1.

2. Report on expenditures

9. Tables 2 and 3 summarize actual expenditure under the General and Supplementary trust funds as of 30 June 2000 and total estimated expenditure for the year 2000, broken down by programme and object of expenditure.

Table 2. Expenditures in 2000 by Programme

(United States dollars)

Programme	Approved 2000 Budget	Actual expenditure as of 30 Jun 00	Estimated expenditure 31 Dec 00	Total estimated expenditure as of 31 Dec 00	%	Supplementary Fund as of 30 Jun 00
Policy-making organs	55 000	0.00	55 000	55 000	100.0	0
Executive direction and management	741 400	357 442	387 224	745 666	97.9	0
Substantive support to the COP & its subsidiary bodies	555 190	236 918	310 000	546 918	98.5	141 595
Facilitation of implementation & coordination	1 454 000	104 964	880 000	1 584 964	94.2	1 447 964
External relations & public information and NGOs	465 189	259 470	284 000	451 470	97.1	83 142
Administration and finance	1 179 800	302 494	843 000	1 145 994	99.6	0
Global Mechanism	1 300 000	383 296	916 800	1 300 096	100.0	0
Subtotal	**5 984 580**	**2 192 884**	**3 658 524**	**5 851 408**	**97.8**	**1 692 702**
Programme support costs*	778 000	285 075	475 618	760 693	97.8	220 051
Total	**6 762 580**	**2 477 959**	**4 134 132**	**6 612 091**	**97.8**	**1 912 753**
Working capital reserve	135 400	0	131 793	131 793		158 759
Grand total	**6 897 980**	**2 477 959**	**4 265 925**	**6 743 884**	**97.8**	**2 071 512**

*In accordance with the United Nations guidelines ST/SGB/188, paragraph 47, a 13 per cent programme support factor has been applied to expenditures on all the trust funds except where exemptions have been authorized by the Controller.

Table 3. Total expenditure in 2000 by object of expenditure

(United States dollars)

Object of expenditure	2000 Budget	Actual expenditure as of 30 Jun 00	Estimated expenditure 31 Dec 00	Total estimated expenditure as of 31 Dec 00	%	Supplementary Funds as of 30 Jun 00
Staff costs	2 661 800	1 165 495	1 414 655	2 580 150	96.9	124 042
Consultants and experts	360 000	155 189	197 069	352 258	97.8	211 083
Travel of participants and representatives	43 000	22 605	20 000	42 605	99.1	337 905
Travel of staff	633 700	252 212	375 000	627 212	99.0	155 996
Contractual services	283 000	19 564	246 000	264 564	93.5	1 650
General operating expenses	604 000	186 495	410 000	596 495	98.8	0
Hospitality	19 000	0	14 000	14 000	73.7	0
Supplies and material	80 000	9 124	65 000	74 124	92.7	0
Grants + contributions (GM)	1 300 000	383 200	916 800	1 300 000	100.0	862 026
Subtotal	**5 984 500**	**2 192 884**	**3 658 524**	**5 851 408**	**97.8**	**1 692 702**
Programme support costs	778 000	285 075	475 608	760 683	97.8	220 051
Total	**6 762 500**	**2 477 959**	**4 134 132**	**6 612 091**	**97.8**	**1 912 753**
Working capital reserve*	135 400	0	131 793	131 793*		158 759
Grand total	**6 897 900**	**2 477 959**	**4 265 925**	**6 743 884**	**97.8**	**2 071 512**

*At its second session the COP reaffirmed that the working capital reserve maintained within the General Fund shall be set at a level of 8.3 per cent of core budget expenditure, including overhead charges. It is anticipated that at the end of the year 2000 the working capital reserve will be US$548,704 including US$417,011 balance brought forward from 1999.

10. It should be noted that tables 2 and 3 indicate that no over-expenditure is anticipated on any of the budget lines. This is a result of improved budgeting and expenditures controls in 2000.

3. Programme delivery

3.1. *Policy-making organs*

Table 4. Expenditure in 2000 for the policy-making organ

(United States dollars)

Object of expenditure	2000 Budget	Actual expenditure as of 30 Jun 00	Estimated expenditure from 1 Jul-31 Dec 00	Total estimated expenditure as of 31 Dec 00	%
Travel of staff	40 000	0	45 000	45 000	112.5
Hospitality	15 000	0	10 000	10 000	66.7
Total	**55 000**	**0**	**55 000**	**55 000**	**100.0**

11. Expenditure under this programme is anticipated to be US$55,000 by the end of the year. This amount will be used to finance travel expenses of technical personnel from the United Nations Headquarters in New York required to support the fourth session of the Conference of the Parties. Funds under this programme will also be used to finance a reception organized by the secretariat in connection with the fourth session of the Conference of the Parties.

3.2. Executive direction and management

Table 5. Expenditure in 2000 for the Executive Direction and Management (EDM)

(United States dollars)

Object of expenditure	2000 Budget	Actual expenditure as of 30 Jun 00	Estimated expenditure to 31 Dec 00	Total estimated expenditure 31 Dec 00	%	Supplementary Fund
Staff costs (ASG, D-1, P-3, 2 GS)	532 900	216 516	283 224	499 740	93.8	0
Travel of staff	225 500	141 326	100 000	241 326	107.0	0
Hospitality	4 000	0	4 000	4 000	100.0	0
Total	**762 400**	**357 842**	**387 224**	**745 066**	**97.7**	**0**

12. Estimated expenditure to 31 December 2000 under this programme is to total US$745,066 (97.7 per cent of the approved budget). The expenditures cover salaries and related costs of the Executive Direction and Management staff, official travel and hospitality.

13. The Executive Direction and Management has provided policy guidance based on the COP decisions and coordination of secretariat activities, as well as advice to the bodies of the Convention. In external relations, high priority was given to developing closer cooperation and synergies with activities of other conventions, United Nations bodies and international, governmental and non-governmental organizations. Awareness-raising and advocacy for the desertification issues was also given priority. As of 30 June 2000, 8 new Parties acceded to or ratified the Convention making the total number of the Parties 168. More Parties are expected to accede by the end of the year.

14. The results of the activities of the Executive Direction and Management include the following:

(a) Wide membership of the Parties to the Convention, covering a representative number of countries in all regions;

(b) Improved cooperation with other conventions and partners, including a joint work programme with the Convention on Biological Diversity, planning of closer collaboration with the Framework Convention on Climate Change on common administrative services and launching of collaborative activities with the Global Environment Facility on land and water;

(c) Policy advocacy for integrating desertification in the activities of donor countries;

(d) Improved and timely reporting to donor countries as well as to the Conference of the Parties.

3.3. Substantive support to the COP and its subsidiary bodies

Table 6. Expenditure in 2000 for substantive support to the COP and its subsidiary bodies

(United States dollars)

Object of expenditure	2000 Budget	Actual to 30 Jun 00	Estimated expenditure to 31 Dec 00	Total estimated expenditure	%	Supplementary Fund to 30 Jun 00
Staff costs (2P-5, 1P-4, 1P-3, 1P-2, 1GS)	376 100	150 399	220 000	370 399	98.5	22 179
Consultants and experts	66 000	36 210	30 000	66 210	100.3	3 062
Travel of participants and representatives	63 000	22 605	20 000	42 605	99.1	14 261
Travel of staff	40 000	9 728	30 000	39 728	99.3	5 785
Contractual services	30 000	17 976	10 000	27 976	93.3	0
Grants and contributions	0	0	0	0	0.0	97 328
Total:	**555 100**	**236 918**	**310 000**	**546 918**	**98.5**	**141 595**

15. Under the estimated total core budget of US$546,918, US$370,399 is used for salaries and other staff costs. US$66,210 is for the preparation of official COP documents. US$42,605 is for travel of representatives to the CST Bureau meeting, US$39,728 for travel of staff to scientific workshops and ad hoc panel meetings, and US$27,976 is spent for interpretation services.

16. During 2000, two meetings of the Bureau of the Conference and one meeting of the Bureau of the Committee on Science and Technology will be convened.

17. The fourth session of the Conference of the Parties (COP 4) will be held in Bonn, Germany, from 11 to 22 December 2000. Delegations from 168 Parties and numerous observers to the Convention as well as many international organizations are expected to participate.

18. COP 4 will consider reports of affected country Parties from regions other than Africa. An ad hoc working group will meet to review reports on the implementation of the Convention submitted to COP 3 and COP 4. The Conference is also expected to take action for further strengthening the implementation of the Convention and adopt decisions on an additional regional implementation annex to the Convention for Central and Eastern Europe, as well as on the priority activities and operational strategy of the Global Mechanism, and on promoting and strengthening relationships with other relevant conventions and agencies, among other issues.

19. Approximately fifty pre-session documents will be prepared for COP 4. Additional in-session documents will be prepared during the two weeks of meetings.

20. In parallel with official sessions of the Conference, a two-day meeting of Members of Parliaments will be convened. Attendance of numerous Parliamentarians from countries all around the world is expected.

21. The Ad Hoc Panels on Traditional Knowledge and Early Warning Systems gathered to discuss the linkages and action to be undertaken in the respective areas, in order to further the implementation of the Convention. The Survey and Evaluation of Existing Networks Phase I was completed. Terms of reference of the Phase II as well as the procedures for selecting the contractors have been submitted to the CST Bureau.

22. The Ad Hoc Panel on Early Warning Systems began its work in the reporting period and recommended the continuation of its work in the year 2001, pending the approval of COP 4. The Ad Hoc Panel on Traditional Knowledge has completed its work. While the COP 3 decided to establish the ad hoc panels it did not include the meeting costs in the core budget. Furthermore, the core budget did not provide resources to meet the full cost of the organization of two meetings of the Bureau of the COP and one meeting of the Bureau of the CST. The estimated cost of one meeting of the Ad Hoc Panel on Early Warning System is US$74,000, additional costs for the organization of three Bureau meetings US$88,800 making a total of US$162 000 inclusive of 13 per cent programme support.

3.4 *Facilitation of implementation and coordination*

Table 7. Expenditures in 2000 for facilitation of implementation and coordination

(United States dollars)

Object of expenditure	2000 Budget	Africa unit	Asia unit	LAC	Northern Med. unit	Actual total as of 30 Jun 00	Estimated to 31 Dec 00	Total 2000 Expenditure	%	Supplementary Fund as of 30 Jun 00
Staff costs (1 D-1*, 3P-5, 4P-6, 3P-3,4GS)	1 237 100	154 809	215 627*	110 579	71 976	552 990	642 931	1 195 921	96.7	46 553
Consultants and experts	235 000	44 401	42 619	0	0	86 479	127 069	213 548	89.3	209 041
Travel of representatives and participants	0	0	0	0	0	0	0	0		323 044
Travel of staff	201 200	9 [illegible]	11 010	45 835	0	67 599	110 000	177 599	88.3	122 378
Contractual Services	0	0	0	0	0	0	0	0		1 050
Grants	0	0	0	0	0	0	0	0		764 499
Total	**1 653 300**	**209 224**	**269 455**	**156 413**	**71 976**	**706 968**	**880 000**	**1 586 968**	**96.0**	**1 467 964**

*One D-1 post has been accounted for under the Asia subprogramme. This post serves programme policy coordination functions.

23. When considering the programme for facilitation of implementation and coordination, it should be noted that activities supported by the secretariat were often undertaken in coordination with support from other actors in order to achieve the expected results.

24. In 2000, facilitation of implementation has focused on providing support to the formulation, launching and implementation of action programmes at national, subregional and regional levels and the preparation and planning of national reports to the COP. Organization of 10 subregional meetings, 24 regional meetings and workshops and 5 interregional meetings has been supported under the Supplementary Fund. Several other seminars, workshops and meetings at national, subregional and regional level related to the Convention are facilitated through various subregional, regional and non-governmental institutions.

25. By the end of June 2000, 73 affected countries from regions other than Africa have submitted their national reports to the COP 4. In addition, 15 developed countries and 10 international organizations have submitted their reports. Together with the affected African countries' and other reports provided, the total number of reports before the COP 4 is 173.

26. Thirty-one National Action Programmes have been finalized, two of them since 1999. At least five more National Action Programmes are expected to be finalized before the end of 2000. Seven Subregional Action Programmes have been finalized, one of them since 1999. Preparations for four more Subregional Action Programmes are well under way. Six regional thematic programme networks have been prepared both in Africa and in Asia, of which three have been launched in Africa and two in Asia. Three Regional Coordination Units have started servicing the needs of the Parties of the respective regions.

27. Through the preparation and finalization of action programmes, the implementation of the Convention has been intensified in affected countries of all regions. Preparations to conclude partnership arrangements for fostering implementation, as well as for integrating the National Action Programmes into sustainable development strategies, have started through consultative coordination meetings.

3.5 Facilitation of implementation and coordination

Table 8. Expenditures in 2000 for the facilitation of implementation and coordination in the Africa region

(United States dollars)

Object of expenditure	Core Budget Actual as of 30 Jun 20	Core Budget estimated to 31 Dec 00	Core Budget total estimated expenditure	Supplementary Actual as of 30 Jun 00	Supplementary estimated expenditure to 31 Dec 00	Supplementary Fund total estimated expenditure to 31 Dec 00
Staff costs (1P-5, 1P-4, 1P-3, 1GS)	154 809	180 009	334 818	46 553	78 712	125 265
Consultants and experts	44 461	44 069	88 530	33 879	48 000	81 879
Travel of representatives and participants	0	0	0	108 156	339 448	447 604
Travel of staff	9 954	40 000	49 954	38 142	40 000	78 142
Contractual Services	0	0	0	1 650	10 000	11 650
Grants	0	0	0	178 806	20 000	198 806
Total	**209 224**	**264 078**	**473 302**	**407 186**	**536 160**	**943 346**

28. Under the estimated total core budget of US$473,302, US$334,818 is used for salaries and other staff costs. US$49,954 is used for travel of staff to national, regional and subregional meetings and US$88,530 for consultants and experts for preparations of regional and subregional meetings. Support to the facilitation activities from the Supplementary Fund is estimated to amount to US$943,346.

29. Main focus has been on assisting the affected African country Parties in preparing and implementing national action programmes. Up to nine national forums or seminars were organized for this purpose. Four more countries have been supported to organize their awareness raising seminars. In addition, a consultation meeting between selected affected African countries and their development partners was organized in Cotonou, Benin in February 2000. The meeting aimed at fostering the integration of the NAPs into national sustainable development strategies and launching consultative processes to conclude partnership agreements. Corresponding meetings are also planned for other affected African countries once they have finalized their national action programmes.

30. Further development of subregional action programmes and resource mobilization for their implementation are considered by some six subregional meetings in 2000. At the regional level, the fourth African regional conference will aim at an in-depth and detailed discussion on the implementation of the Convention in Africa. Three regional thematic programme networks for Africa will be discussed in meetings before the end of the year.

31. Most activities mentioned above were facilitated through the African Regional Coordination Unit.

32. Results of the facilitation activities in the African region can be summarized as follows:

(a) Since 1999, two more African countries have finalized their NAPs, making a total of 15 finalized NAPs in Africa. Some five other African countries are planning to present a finalized programme before the end of the year 2000. Several countries are in close contact with their bilateral and international partners, with the objective of organizing jointly a consultative coordination meeting to facilitate the conclusion of the partnership agreements;

(b) Four more countries held their national awareness-raising seminars resulting in improved cooperation and participation of various groups in combating desertification at the national level;

(c) At the subregional level, three subregional action programmes are in the implementation phase. One more SRAP will be validated before the end of the year;

(d) Since the designation of the institutional Focal Points in 1999, preparations have been underway for the launching of three of the planned six regional thematic programme networks for Africa with support from the African Regional Coordination Unit;

(e) The Fourth African Regional Conference will provide an opportunity for national focal points to examine in detail the progress made at national, subregional and regional levels in the implementation of the Convention.

Table 9. Expenditures in 2000 for the facilitation of implementation and coordination in the Asia region

(United States dollars)

Object of expenditure	Core Budget Actual as of 30 Jun 00	Core Budget Estimated to 31 Dec 00	Core Budget Total estimated expenditure	Supplementary Actual as of 30 Jun 00	Supplementary estimated expenditure to 31 Dec 00	Supplementary Fund Total estimated expenditure to 31 Dec 00
Staff costs (1 D-1*, 1P-5, 2P-4, 1P-3, 1GS)	215 627	250 754	466 381	0	0	0
Consultants and experts	42 018	43 000	85 018	61 655	40 000	101 655
Travel of representatives and participants	0	0	0	186 363	197 000	383 363
Travel of staff	11 810	40 000	51 810	66 788	30 000	96 788
Contractual Services	0	0	0	0	10 000	10 000
Grants	0	0	0	390 352	170 000	560 352
Total	**269 455**	**333 754**	**603 209**	**705 158**	**447 000**	**1 152 078**

*One D-1 post has been accounted for under the Asia subprogramme. This post serves programme policy coordination functions.

33. Under the estimated total core budget of US$603,209, US$466,381 is for salaries and other staff costs. US$51,810 is for travel of staff to national, subregional and regional meetings and US$85,018 for consultants and experts for preparations of regional and subregional meetings. Support to the facilitation activities from the supplementary fund is estimated to total US$1,152,078.

34. When considering the subprogramme on facilitation of implementation and coordination in the Asia region, it should be noted that some activities to support countries in Eastern and Central Europe are also being undertaken by this subprogramme. Due to administrative arrangements inside the UNCCD, the posting of the staff member mainly involved in activities in the countries concerned is accounted for under the Asia subprogramme.

35. Affected Asian as well as Central and Eastern European country Parties were assisted in the preparation of their national reports, to be submitted for the consideration of the Fourth Conference of the Parties, through three subregional workshops and the provision of some financial and technical assistance. Furthermore, the formulation and implementation of National Action Programmes has been supported. Assistance is also provided to strengthen the role of national Focal Points in five Central Asian and four Eastern European countries. Preparations for the organization of a meeting to facilitate the conclusion of partnership agreements for the implementation of the National Action Programme of China have been carried out.

36. A preparatory meeting to establish a subregional action programme and a cooperation network between countries bordering the Aral Sea was supported in July. At the regional level, the regional conference for Asian Focal Points will aim at an in-depth and detailed discussion on the national reports and the implementation of the Convention in Asia. With regard to thematic programme networks (TPNs) for Asia, a working group meeting for TPN 1 was held, TPN 2 was officially launched, and preparatory work for TPNs 3 and 4 are being pursued.

37. In addition to the activities mentioned above, several other meetings and seminars are facilitated through various subregional, regional and non-governmental institutions. The secretariat has further provided, through the Asian Regional Coordination Unit, its expertise and support for those facilitation activities.

38. Results of the facilitation activities can be summarized as follows:

(a) Thirty-seven Asian and Central and Eastern European country Parties have submitted their national reports in due time for the COP 4;

(b) Institutional support for national Focal Points in five Central Asian and four Eastern European countries has contributed to greater awareness on issues related to desertification and the Convention;

(c) One more country has finalized the National Action Programme, bringing the total number of NAPs in Asia to seven. More countries in the region will launch the process of elaborating the NAP during the year 2000;

(d) Preparations for two subregional action programmes, for Western Asia and for Central Asia, are advancing;

(e) TPN 1 on desertification monitoring and assessment has moved into the operational phase. TPN 2 on agroforestry and soil conservation in arid, semi-arid and sub-humid areas was launched on the basis of regional consensus. Preparatory activities are undertaken for TPN 4 on water resources management for agriculture in arid, semi-arid and sub-humid areas and TPN 5 on strengthening capacities for mitigating drought impact and combating desertification.

Table 10. Expenditures in 2000 for the facilitation of implementation and coordination in Latin America and the Caribbean region

(United States dollars)

Object of expenditure	Core Budget Actual as of 30 Jun 00	Core Budget Estimated to 31 Dec 00	Core Budget Total estimated expenditure	Supplementary Actual as of 30 Jun 00	Supplementary estimated expenditure to 31 Dec 00	Supplementary Fund Total estimated expenditure to 31 Dec 00
Staff costs (1L-5, 1P-3, 1GS)	110 578	128 592	239 170	0	0	0
Consultants and experts	0	40 000	40 000	107 395	25 000	132 395
Travel of representatives and participants	0	0	0	9 271	130 000	139 271
Travel of staff	45 835	30 000	75 835	13 123	20 000	33 123
Contractual Services	0	0	0	0	0	0
Grants	0	0	0	195 540	25 000	220 540
Total	**156 413**	**198 592**	**355 005**	**325 329**	**200 000**	**525 329**

39. Under the estimated total core budget of US$355,005, US$239,170 is for salaries and other staff costs and US$75,835 for the travel of staff. Support to the facilitation activities from the Supplementary Fund is estimated to amount to US$525,329.

40. Organization of three national awareness raising seminars was supported. The affected Latin American and Caribbean country Parties were assisted in the preparation of their national reports for the fourth session of the Conference of the Parties through a coordination meeting as well as technical and financial assistance. Furthermore, the formulation and implementation of National Action Programmes has been supported. Assistance was also provided for strengthening the national coordination unit of Haiti. Organization of first consultation meeting between affected country Parties and their development partners for the implementation of national action programmes is under preparation.

41. At the Sixth Regional Meeting of Latin American and the Caribbean, affected country Parties will have an in-depth and detailed discussion on the national reports and the implementation of the Convention in the region. The secretariat has provided through the Regional Coordination Unit for Latin America and the Caribbean further support for the facilitation activities. Information bulletins for the region have been published regularly and assistance is also provided for the development of the regional information system DESELAC.

42. In addition to the activities mentioned above, several other meetings and seminars are facilitated through various subregional, regional and non-governmental institutions.

43. Results of the activities can be summarized as follows:

(a) All the thirty country Parties of the region (as of 30 June) have submitted their national reports;

(b) Since 1999, three more countries in the region have held national awareness seminars, resulting in greater involvement of the general public as

well as the scientific community in the fight against land degradation in the region;

(c) Three more countries have began work on the preparation of their National Action Programmes;

(d) The implementation of the three subregional action programmes, as well as the Regional Action Programme have been revised, contributing to wider sharing of information and exchange of experiences between the Parties in the region;

(e) Two countries have started the preparations for consultations for the development of partnership agreements.

Table 11. Expenditures in 2000 for the facilitation of implementation and coordination in the Northern Mediterranean region and other countries

(United States dollars)

Object of expenditure	Core Budget Actual as of 30 Jun 00	Core Budget Estimated to 31 Dec 00	Core Budget Total estimated expenditure	Supplementary Actual as of 30 Jun 00	Supplementary estimated expenditure to 31 Dec 00	Supplementary Fund Total estimated expenditure to 31 Dec 00
Staff costs (1P-4, 1 GS)	71 876	83 576	155 452	0	0	0
Consultants and experts	0	0	0	6 112	5 000	11 112
Travel of representatives and participants	0	0	0	19 854	0	19 854
Travel of staff	0	0	0	4 325	6 000	10 325
Contractual Services	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Total	**71 876**	**83 576**	**155 452**	**30 291**	**11 000**	**41 291**

44. The estimated total core budget of US$155,452 is for salaries and other staff costs. The subprogramme for the Northern Mediterranean Region has provided secretariat services also for the Executive Direction and Management. Support to the facilitation activities from the Supplementary Fund is estimated to amount to US$41,291 under a financing scheme funded by the countries concerned.

45. Facilitation of implementation and coordination in the Northern Mediterranean region has included technical support to the organization of the regional ministerial and focal point meetings of the Annex IV countries. Three ministerial meetings and four focal points meetings of the Annex IV countries, as well as a Mediterranean interregional workshop on the linkages between UNCCD and other conventions were organized in 2000. Also the National Action Programmes and the Regional Action Programme process were facilitated by the secretariat.

46. The results of the facilitation activities can be summarized as follows:

(a) Technical support given to the organization of the meetings has contributed to the finalization and adoption of draft policy document for the RAP and to the initiation of preparations for thematic programme networks at the regional level;

(b) Meetings have promoted awareness of various stakeholders about desertification and the implementation of the Convention in the Mediterranean.

3.6. External relations and public information and NGOs

Table 12. Expenditures in 2000 for the external relations and public information

(United States dollars)

Object of expenditure	2000 Budget	Actual to 30 Jun 00	Estimated expenditure to 31 Dec 00	Total estimated Expenditure	%	Total estimated Supplementary Fund
Staff costs (1P-4, 1P-3, 2P-2, 1GS)	348 100	166 599	180 000	346 599	99.6	111 310
Consultants and experts	30 000	6 221	20 000	26 221	87.4	0
Travel of participants and representatives	0	0	0	0	0.0	255 000
Travel of staff	97 000	32 650	40 000	72 650	74.9	47 833
Contractual services	10 000	0	6 000	6 000	60.0	30 450
Grants	0	0	0	0	0.0	25 000
Total	**485 100**	**205 470**	**246 000**	**451 470**	**93.1**	**469 593**

47. Under the estimated total core budget US$451,470, US$346,599 is used for salaries and other staff costs, US$26,221 for consultancies and US$72,650 for travel of staff. Travel included meetings of relevance to the UNCCD process, particularly the governing bodies of other relevant conventions and partner institutions as well as the General Assembly of the United Nations. Consultants have assisted in drafting technical documents and compiling information on synergies with other conventions and other documents for the COP. Support to temporary staff, NGOs and travel, and costs of contractual services are expected to amount to US$469,593 from the Supplementary Fund.

48. External relations and public information activities focus on three issues: inter-agency coordination, cooperation with non-governmental organizations and public information.

49. Inter-agency coordination activities include active participation in meetings and regular consultations with key partner agencies supporting the implementation of the Convention. The development of memoranda with these partners has continued.

50. Cooperation with the non-governmental community includes support to NGO participation to the COP and other related meetings, strengthening of their outreach and awareness-raising capacities and helping to strengthen their institutional capacities. NGOs are also supported in coordinating their input to conferences.

51. Public information activities include publication of the UNCCD newsletter, re-prints of UNCCD information kits, production of a memorabilia to COP 4 and preparations to celebrate the World Desertification Day on June 17, in particular the June 17 Media Award. Participation of representatives of media in COP 4 is also facilitated. In addition, the public information activities include collaboration with UNESCO and the Italian Government in the elaboration of a teacher's kit on desertification, the establishment of a media database and

a database for the UNCCD publications. The information system has been upgraded, making the UNCCD web page more user friendly.

52. Results of the activities can be summarized as follows:

(a) Strengthened relationships with the secretariats of other relevant conventions, international financial institutions and other intergovernmental organizations;

(b) Increased contribution from NGO actors in formulating projects, programmes and policies for the implementation of the Convention. In various meetings the NGOs have raised awareness of the local communities' problems and approaches related to desertification and land degradation. At the local level they have a crucial role in promoting grass-root involvement and application of best practices in the implementation of the Convention;

(c) Active intersectoral and interregional dialogue as well as raised awareness of the problem of desertification through information material, global character of desertification and its interrelations with other social and environmental issues, in particular with biodiversity and climate change, has been emphasized.

3.7. Administration and finance

Table 13. Expenditures in 2000 for the administration and finance
(United States dollars)

Object of expenditure	2000 Budget	Actual Expenditure as of 30 Jun 00	Projected expenditure from 1 Jul- 31 Dec 00	Total estimated expenditure to 31 Dec 00	% of Expenditure 2000 Budget
Staff costs (1P-5, 1P-3, 3GS)	0	0	0	0	0.0
Other personnel-related cost	167 600	79 091	88 500	167 591	100.0
Consultants and experts	49 000	26 279	20 000	46 279	94.4
Travel of staff	55 000	909	50 000	50 909	92.6
Contractual services	233 000	588	230 000	230 588	99.0
General operating expenses	350 000	66 495	280 000	346 495	99.0
Supplies and material	75 000	9 124	65 000	74 124	98.8
Furniture and equipment	50 000	0	50 000	50 000	100.0
Contributions to joint activities	194 000	120 000	80 000	200 000	103.1
Total	**1 173 600**	**302 486**	**863 500**	**1 165 986**	**99.4**

53. Under this programme an amount of US$1,165,986 of the core budget is for salaries and related costs, temporary assistance, administration and finance-related travel and general operating expenses of the UNCCD, i.e. for communication (telephone, fax, postage, pouches), rental and maintenance of UNCCD office premises, supplies and materials, rental and maintenance of photocopy and fax equipment, and contractual services in relation to the preparation of COP 4 in Bonn.

54. Results of Administration and Finance include:

(a) Improvement of the quality and timely submission of donor reports;

(b) Development of job descriptions and recruitment process of all approved posts;

(c) Development of internal financial and other controls with a view that all resources are properly recorded, controlled and utilized.

3.8. Global Mechanism

Table 14. Expenditures in 2000 Global Mechanism
(United States dollars)

Object of expenditure	Proposed 2000 Budget	Actual Expenditure as of 30 Jun 00	Projected expenditure from 1 Jul-31 Dec 00	Total estimated expenditure to 31 Dec 00	% of Expenditure 2000 Budget
Contribution to joint activities	1 300 000	910 000	390 000	1 300 000	100
Total	**1 300 000**	**910 000**	**390 000**	**1 300 000**	**100**

55. A total of $910,000 representing 70 per cent of the approved budget for Global Mechanism has been transferred from the General Fund to the International Fund for Agricultural Development (IFAD) to finance the administrative operations of the Global Mechanism. It is anticipated that as more contributions are received for the core budget there will be enough funds to transfer the balance of US$390,000 by the end of the year 2000. The financial performance report as provided by the Global Mechanism on the use of the funds transferred is given below.

56. Table 15 provides details, as of 30 June 2000, on budget performance with regard to the Core Budget Administrative Expenses Account for the year 2000. It is estimated that approximately 95 per cent of the budget will be utilized by the end of the year.

57. In response to the request of the COP 3, it was decided that an amount of US$100,000 will be allocated from the Core Budget Administrative Expenses Account as support to the preparation of national reports. This amount was taken from the carry forward of 1999 to 2000. An additional US$100,000 was taken from the Voluntary Contributions Administrative Expenses Account for the same purpose.

Table 15. Administrative Budget of the Global Mechanism in 2000

(United States dollars)

Expenditures	Brought forward from 1999	Budget 2000	Total funds available	Actual expenditures as of 30 Jun 00	Estimated expenditures	Total estimated expenditure	Uncommitted balance
Staff costs		812 000	812 000	249 284	562 716	812 000	0
Travel	50 000	150 000	200 000	59 341	102 438	161 779	38 221
Consultancy	28 419	119 000	147 419	52 763	94 656	147 419	0
General Operating Expenses		29 000	29 000	3 020	24 780	27 800	1 200
Supplies and Equipment		45 000	45 000	0	42 750	42 750	2 250
Contractual Services		95 000	95 000	14 365	55 885	70 250	24 750
Grants	100 000	50 000	150 000	100 000	42 500	142 500	7 500
Subtotal	**178 419**	**1 300 000**	**1 478 419**	**478 773**	**925 725**	**1 404 498**	**73 921**
Overhead charges		104 000			104 000		
Total	**178 419**	**1 404 000**	**1 478 419**	**478 773**	**1 029 725**	**1 404 498**	**73 921**

58. Decision 3/COP.3 requests the Executive Secretary to propose any adjustments which might be needed for the biennium 2000-2001. Below is a proposal by the Global Mechanism on an adjustment for the 2001 budget:

59. When IFAD and UNDP offered to host the Global Mechanism, they estimated that to function effectively, the GM Office would require a yearly budget of approximately US$3 million. Among other things these funds would be primarily used to strengthen human resource capacity of GM through the recruitment of required key staff. The need for this increased capacity was reflected by GM budget proposals for the years 2000 and 2001 and by the Managing Director's report to COP 4. However, the amounts approved for GM by COP 3 for the last two years have been consistently short of the amounts requested by US$0.45 and US$1.15 million respectively for 2000 and 2001. Consequently, GM has not been able to recruit two of the key Professional staff requirements, identified as critical to assist the organization responding to its ever-increasing work in a timely manner.

60. It is in view of the above that COP is being approached again to approve a request for an increase of US$400,000 for the GM for 2001. This would enable GM to establish 2 additional Professional Posts - a Deputy Managing Director and a Programme Officer, as well as 2.5 General Service Staff positions. As the Convention has given priority to Africa, it is suggested that the Programme Officers Post be at P3/P5 level and be assigned to this region. The Deputy Managing Director post would be at D1 level. The level of the latter post is due to the complex coordination responsibilities of the programme and covers a large geographical area and involves policy development and interaction with donor organizations and Governments, among other important responsibilities. It is also recognized that with the evolvement of the Programme, there may be need for additional Programme Officer posts and a Communications Officer at the P3/P4 level.

Table 16. Proposed adjustment by the Global Mechanism for 2001 budget
(United States dollars)

Global Mechanism - Core Budget Administrative Account

	2000		2001
Object of expenditure	**Brought forward from 1999**	**2000 budget**	**Proposed adjustments for 2001 budget**
Staff costs		812 000	1 338 000
Travel	50 000	150 000	200 000
Consultancy	28 419	119 000	65 000
General Operating Expenses		29 000	30 000
Supplies and Equipment		45 000	65 000
Contractual Services		95 000	40 000
Grants	100 000	50 000	12 000
Total budget	**178 419**	**1 300 000**	**1 750 000**

B. Supplementary Contribution to the Convention activities by the host Government (Bonn Fund)

61. A supplementary contribution of one million DM (US$513,900) will be received from the host Government for Convention-related activities and events. This contribution is expected to be used for the following activities:

Activity	**Estimated expenditure (US$)**
The fourth session of the Conference of the Parties - temporary assistance - other costs* including i.a. preparation and renting of conference facilities and service of local staff	283 670
Meeting of selected African Focal Points on consultative processes and partnership agreements, Cotonou, Benin, February 2000	30 000
Second Africa-Latin America and the Caribbean Forum, Bamako, Mali, March 2000	50 800
Meeting on the Thematic Programme Network on Agroforestry for Asia, Delhi, India, March 2000	20 000
Workshop on Land Degradation and Desertification in Central and Eastern Europe, Brussels, Belgium, May 2000	9 680
Meeting on Early Warning Systems, Bonn, Germany, May-June 2000	60 650
13 per cent Programme Support Costs	59 100
Total expenditures	**513 900**

*Partially covered by the Bonn Fund

C. Special Fund for Participation

Table 17. STATUS OF SPECIAL FUND FOR PARTICIPATION
Expenditure report as of 30 June 2000
(United States dollars)

Income	**Amount**
Balance brought forward 1999	405 455
Interest savings and prior years adjustments	0
Contributions received in 2000	112 762
Interest earned in 2000	12 160
Total income 2000	**530 377**

Estimated expenditures	**Amount**
Bureau meetings & informal consultations	82 800
Travel of 177 participants to COP 4	885 000
13 per cent overhead charge	125 800
Total estimated expenditures	1 093 600
Shortfall*	**(563 223)**

* Efforts to mobilize funds from donor countries to cover for the shortfall are under way, and the status of funds raised will be reported to the COP as of 30/11/2000.

62. Participation of eight COP Bureau members in the inter-sessional meetings (Bonn, Germany) is facilitated at a cost of US$82,800.

63. Total expenditure under the Participation Fund in 2000 is estimated to amount to US$1,093,600 which includes 13 per cent programme support costs.

III. HUMAN RESOURCES

A. Core Budget

64. Approved staffing table for the secretariat under the 2000 core budget comprises of 27 posts in the professional and higher categories and 12 posts in the General Service category. Recruitment process is under way to fill some of the vacant posts. However it should be noted that although the posts were approved, the corresponding approved budget was not sufficient to cover the cost of all approved posts. In order for the secretariat to provide services to the Conference of the Parties, promote synergies with other conventions and continue activities to facilitate the partnership agreements, an additional sum of US$624,000 would be needed. This would enable the Executive Secretary to fill the approved posts and maintain the programme at the level of 2000.

Table 18. Comparison of the approved and filled posts for the year 2000

			Gender		Region				
Category	Approved	Filled	M	F	Africa	Asia	Europe	LAC	N. America
ASG	1	1	1	0	1	0	0	0	0
D-1	2	2	1	1	0	0	2	0	0
P-5	6	4	3	1	1	0	2	1	0
P-4	8	6	4	2	2	1	2	0	1
P-3	7	7	6	1	3	1	1	2	0
P-2	3	2	0	2	1	0	1	0	0
Subtotal	**27**	**22**	**15**	**7**	**8**	**2**	**8**	**3**	**1**
GS	12	10	3	7	1	4	3	1	1
Total	**39**	**32**	**18**	**14**	**9**	**6**	**11**	**4**	**2**

65. Information on the geographical distribution of staff members encumbering core budget or programme support posts is provided in table 17. While the paramount consideration in the appointment of UNCCD staff is the necessity for securing the highest standards of efficiency, competence and integrity, efforts are made to ensure that staff are recruited on as wide a geographical basis as possible.

66. Table 17 contains also information on the gender distribution of staff members. The secretariat is continuing to do its best to attract qualified women to join the secretariat with a view to attaining the United Nations goal of 50/50 gender distribution.

B. Programme Support Costs

67. The United Nations issued to the UNCCD secretariat in 2000 an allotment advice totalling $770,000 under which salaries and related costs of one P-5, one P-3 and seven general service posts; rental and maintenance of equipment and communication costs are being charged. The allotment for these costs was requested in accordance with the decision adopted by the Conference of the Parties during its third session. The posts are those of all administrative and finance staff in Administration and Finance, and one liaison secretary in Geneva. As the UNCCD secretariat has assumed more administrative and financial functions and responsibilities formerly provided by the United Nations, it continues to negotiate for a bigger share of the programme support income earned from the UNCCD trust funds, so as to increase the capacity within the administration and finance unit.

IV. WORKING CAPITAL RESERVE

68. Paragraph 9 of the UNCCD Financial Rules states that: "Within the General Fund there shall be maintained a working capital reserve at a level to be determined from time to time by the Conference of the Parties by consensus. The purpose of the working capital reserve shall be to ensure the continuity of operations in the event of a temporary shortfall of cash. Drawbacks from the working capital reserve shall be restored from contributions as soon as possible."

69. At its third session the COP reaffirmed that the working capital reserve maintained within the General Fund shall be set at a level of 8.3 per cent of core budget expenditure, including overhead charges. It is anticipated that at the end of the year 2000 the working capital reserve will be US$548,804.

V. ADMINISTRATIVE ARRANGEMENTS

70. Pursuant to General Assembly resolution 52/198 of 18 December 1997, which endorsed the institutional linkage between the Convention and the United Nations Secretariat, the Secretary-General of the United Nations made a proposal to establish the transitional arrangements for administrative support to the secretariat of the United Nations Convention to Combat Desertification (UNCCD) for 1999-2000. This proposal was accepted by the Conference of the Parties at its first session (decision 3/COP.1).

71. The agreed administrative arrangements and delegation of authority to the Executive Secretary of the UNCCD are outlined in the memorandum by the United Nations Under-Secretary-General for Administration and Management dated 22 April 1998. The provisions of the administrative arrangements as summarized below:

(a) Wide authority on personnel and financial matters is delegated from the Secretary-General to the Executive Secretary;

(b) A 13 per cent programme support factor will be applied to expenditures from all trust funds except where exemptions have been authorized by the United Nations Controller;

(c) Drawing on the proceeds of this charge, the United Nations Secretariat provides full administrative support services to the Convention secretariat, including administrative staff;

(d) The services provided would evolve to cover the administrative needs resulting from the functioning of the Convention secretariat in Bonn;

(e) A review is to be undertaken to ascertain how administrative functions could best be shared on a long-term basis between the United Nations Secretariat and the Convention secretariat in Bonn.

72. The permanent secretariat of the UNCCD relocated from Geneva to Bonn at the beginning of 1999. The main objective of the secretariat's administrative unit has been to increase efficiency and effectiveness in responding to the needs of the Parties. In a bid to minimize the transaction costs with the United Nations Office at Geneva, the secretariat has continued to take on more administrative and financial functions previously performed by UNOG. For example, the secretariat operates a local imprest account of DM 750,000 which is replenished on a monthly basis. The monitoring and reconciliation of this account is done by the Convention secretariat. In addition the secretariat is also responsible for reconciliations of all the accounts payable and receivables, for authorizing and making arrangements for staff travel, the hiring of local personnel and for the settlement and preparation of journal vouchers related to travel of staff and consultants. Finally, the functions pertaining to procurement of goods and services up to the delegated limit of US$150,000, initially meant to be performed by UNOG on behalf of the secretariat, have been taken over by the Convention secretariat.

73. The secretariat intends to make use of an integrated management information system for all administrative and financial activities. Various options for this system, in particular the Integrated Management Information System (IMIS) of the United Nations, are considered. In addition, the secretariat is in the process of developing its own financial and human resources manuals. It is hoped that the United Nations will be able to provide the required training and technical support.

74. In order to cope with the increased level of responsibility there is need to strengthen the human resources capacity in the Administrative and Financial

Unit of the secretariat. The secretariat intends to continue to negotiate for an increased proportion of resources from the 13 per cent programme support to the UNCCD for strengthening the administrative services.

75. In consultation with UNOG, the secretariat has also started discussions with the United Nations Framework Convention on Climate Change (UNFCCC) for the establishment of a joint administrative service unit in Bonn. The aim of this initiative is to produce better services at a reduced cost. Under the guidance of the Conference of the Parties, the Executive Secretary will pursue the consultations with the UNFCCC and UNOG on modalities for administration and of effecting an equitable distribution of the proceeds from the 13 per cent Programme Support charge paid to the United Nations Secretariat on all expenditures of conventions Trust Funds.

VI. CONCLUSION

76. The Conference of the Parties at its third session requested the Executive Secretary to report at its fourth session on the financial performance of the Convention budget and to propose any adjustments which may be needed for the biennium 2000-2001.

77. In this document very detailed information on the utilization of the funds under the core budget has been provided. However, it is important to note that, as indicated in paragraphs 22, 59, 60 and 64 above, more funds will be required in the year 2001 in order to provide the required substantive support to the Conference of the Parties and its subsidiary bodies as well as to strengthen the human resource capacities of the Global Mechanism and the secretariat.

78. In this regard the COP is being requested to approve an additional US$1,186,000 as follows:

(a)	Requested support to the Conference of the Parties and its subsidiary bodies	162 000
(b)	Establishment of two new posts in the Global Mechanism	400 000
(c)	Financing four established posts in the secretariat	624 000
	Total	**1 186 000**

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